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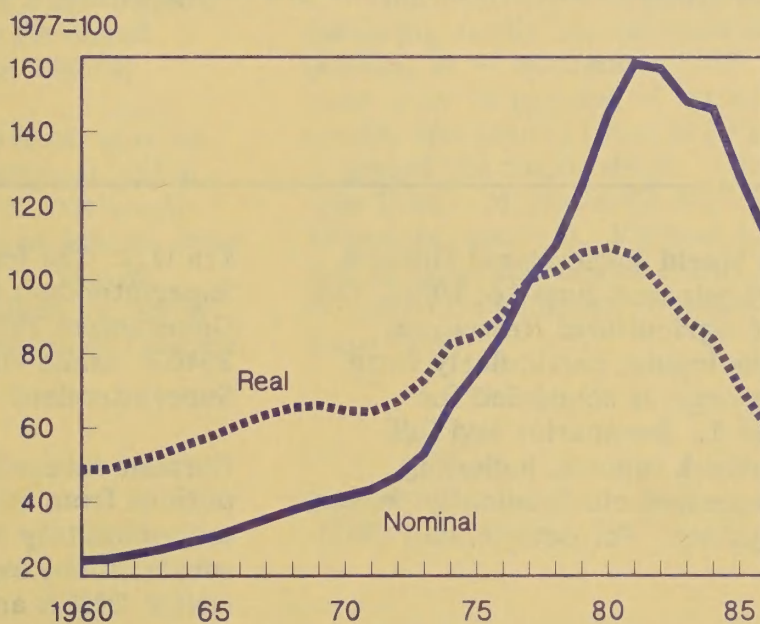
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Agricultural Resources

Agricultural Land Values and Markets Situation and Outlook Report

Real vs. Nominal Value Per Acre



Downturn in land values continues.

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Note: Basic data contained in this report were obtained from two main sources. Index numbers of average value per acre as of February 1 are based on estimates provided by a sample of farmers throughout the United States. Information on a limited number of farm sales is provided by an annual survey of real estate brokers and appraisers, county officials, farmers, and farm lenders, and local bankers. The assistance of respondents to both surveys is gratefully acknowledged.

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SUMMARY

The downturn in U.S. farmland values that began in 1981 continued into early 1986. As of February 1, the index of value stood at 112 (1977=100), down 12 percent from April 1985. The decrease, which follows a 12-percent drop from 1984 to 1985, marks the largest back-to-back decline since 1932 and 1933, when values fell 17 and 19 percent, respectively. Losses were largest in the Lake States, and all regions lost value except the Northeast. Values appear to have fallen further since February over much of the Nation.

Values are likely to decline further during the remainder of 1986, but probably by less than 12 percent. Decreasing interest rates, lower production expenses, and higher payments from Government programs will slow the downward trend. However, differences among regions will widen as the Northeast posts increases while most of the Nation experiences further losses. Some downward movement is expected for 1987, but the amount is expected to be less than in 1986. In the longer run, land values will depend mainly on farm productivity and income, but factors in the general economy, including interest rates, inflation, foreign exchange rates, and growth in foreign and domestic demand will also have a significant impact. A stronger market for farmland probably will emerge in the late 1980's.

U.S. farmland averaged \$596 an acre on February 1, down from \$679 last year and a peak of \$823 in the early 1980's. Although values have fallen sharply in most States, they are still above a decade ago in all States except Iowa. The drop in farmland values is closely linked to financial problems of farmers

with heavy debt loads and high interest payments, but low commodity prices and the large acreage of land on the market also have contributed to the decline. The financial problems of farmers have been extended to farm lenders, rural businesses, and agriculturally dependent communities.

Cash rents have declined from 1985 in almost all States, but by less than the decrease in farmland values. Competition among tenants for rented land, unwillingness or inability to purchase land, and leases with rents fixed for more than 1 year may account for the relative stability of rents. Rent-to-value ratios are rising, and have reached levels where returns to land buyers at 1986 values and rents are comparable with returns on alternative investments.

The number of transfers of farmland decreased in the past year, continuing the downward trend of the past 5 years. Voluntary and estate sales accounted for 57 percent of the transfers, but foreclosures were involved in 22 percent. As in previous years, most buyers and sellers were farmers. Farmers who already own some land purchased about three-fifths of the acreage. However, nonfarmers increased their share of the total number and total value of transfers.

The proportion of farmland transfers involving credit has declined steadily since peaking at 91 percent in 1981. Over the past year, only 76 percent of transfers involved credit, the lowest level in 20 years. Sellers provided the major share—about one-third—of all credit extended on the transfers reported. Federal Land Banks are declining as sources of credit, while commercial banks are becoming more important.

OUTLOOK

U.S. farmland values dropped 12 percent from April 1985 to February 1986, matching the 12-percent decline from 1984 to 1985 (table 1). This was the fifth straight year of falling land values, lowering the index of value to 112 (1977=100) from a peak of 158 in 1981. Losses were largest in the Lake States, but all regions lost value except the Northeast (figure 1).

The decline is linked to several factors, including a generally depressed farm and rural economy, low farm commodity prices, relatively high interest rates on farm loans, tightening of credit by some lenders, financial problems of some farmers resulting in forced sales, and the large acreage of land being offered for sale relative to limited demand. In addition, some prospective buyers appear to be waiting for a further drop in prices.

Some positive forces in the land market and the general economy will tend to slow the downward trend in values in the remainder of

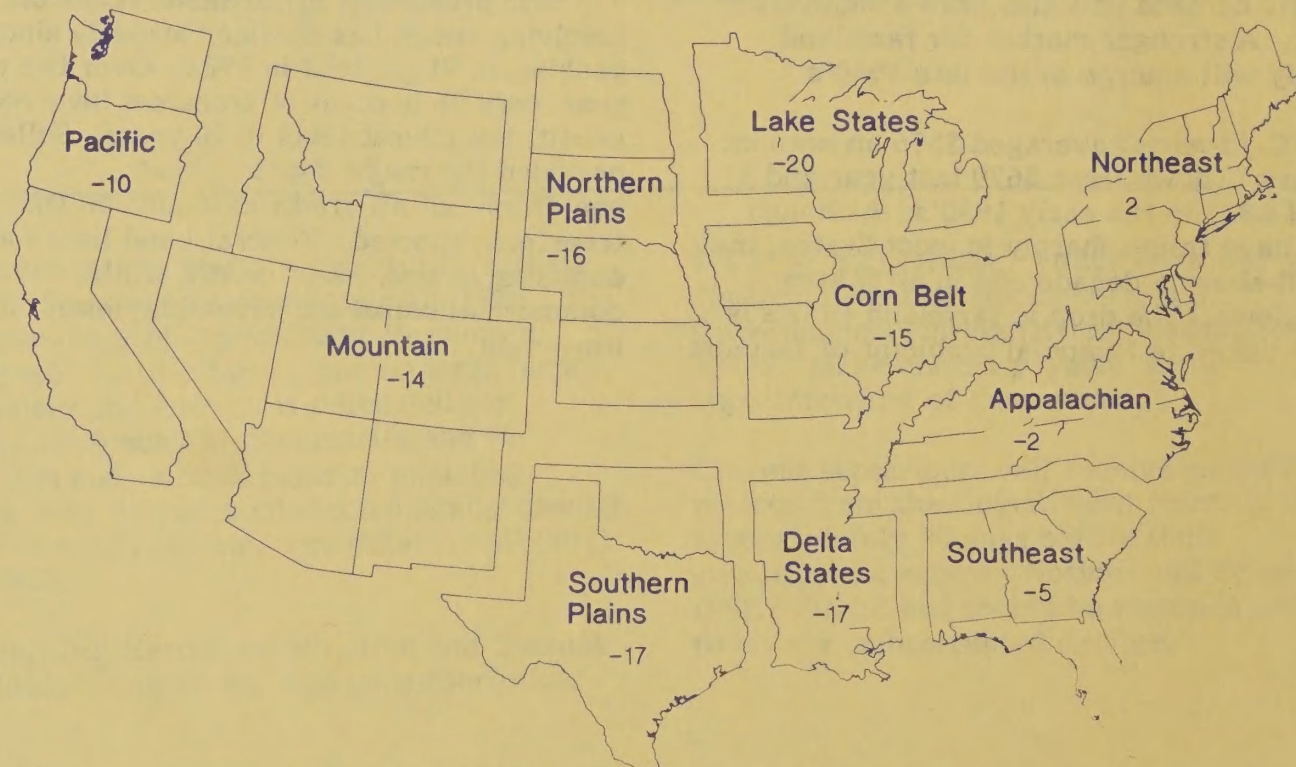
1986. Among these are the decreasing farm production costs that have accompanied lower interest rates and oil prices, the anticipated pickup in exports because of lower prices resulting from the effect of the weakening value of the dollar and lower U.S. loan rates, and the fact that major adjustments in land values have already occurred. However, these forces may not be strong enough at this point to stabilize values, and the downturn continues in large areas of the Nation.

Surveys by several Federal Reserve Banks in April provide evidence of changes since USDA's February surveys. The Minneapolis bank, which covers Minnesota, the Dakotas, and northwestern Wisconsin, reported that values fell 8 percent on irrigated farmland, 8.8 percent on nonirrigated land, and nearly 10 percent on grazing land during first-quarter 1986. These decreases were slightly larger than those reported in the previous quarter for grazing land, but were smaller for cropland.

The Kansas City bank's survey, which includes Kansas, western Missouri, Nebraska,

Figure 1

Percent Change in Value of Farm Real Estate per Acre, by Farm Production Regions April 1985 - February 1986



Based on index of average value per acre (1977=100)

Oklahoma, Colorado, Wyoming, and northern New Mexico, also showed decreases in the first quarter, 3.3 percent on nonirrigated, 3.4 percent on irrigated, and 8.8 percent on ranchland. These decreases were smaller than those reported in the previous quarter for irrigated and nonirrigated land, but larger for ranchland.

In the Chicago bank's territory (Iowa, northern Illinois and Indiana, and southern Wisconsin and Michigan) the average value of "good" farmland decreased 2.9 percent during first-quarter 1986, compared with a 3.3-percent decline in the previous quarter. About three fifths of the bankers estimated that land values had stabilized in the Chicago territory.

The Dallas bank, which includes Texas, southern New Mexico and northern Louisiana in its survey, reported declines of 3.1 percent for irrigated land, 2.2 percent for ranchland, and 1.4 percent for dry land. The decrease was less than the previous quarter's decline for all three classes of land. However, only one-third of the respondents believed that values would bottom out in 1986.

An April survey by Washington State University in cooperation with ERS showed decreases in Washington, Oregon, Idaho, and Montana. Less detailed reports show further declines in the Delta and California. In contrast to estimates of decreasing values in other regions, an April survey by Cornell University in cooperation with ERS reported continued increases in values in New England, New Jersey, and New York during the first quarter. However, gains in the Northeast would be more than offset by losses in other regions. Thus, the evidence for first-quarter 1986 is for lower values over most of the Nation.

For the remainder of 1986, several factors need to be considered in assessing the trends. On the positive side are the decline in interest rates, oil prices, feed prices, and the lower costs associated with the decrease in acreage of major crops. Lower interest rates produce savings in the cost of operating capital and reduce financing costs on land purchases. In some cases, borrowers may be able to negotiate lower rates on existing indebtedness. However, the reduction of

interest rates on farm loans has not been as large as reductions on other borrowings, such as business loans and residential mortgages. The Farm Credit System, the Nation's largest farm lender, has not been able to reduce rates because of pressure to maintain revenues to cover prospective loan losses. Total interest expense is expected to decline about 10 percent from the 1985 level.

Lower oil prices are an important factor in the forecast reduction of farm production expenses. The full impact of lower oil prices may not be realized in 1986, however, as some petroleum-based inputs such as fertilizer and pesticides may have been purchased earlier when oil prices were higher. Total farm production expenses are expected to be about 5 to 7 percent lower in 1986 than in 1985, and nearly 10 percent below 1984. The lower expenses, coupled with expected record-high Government payments, should have a favorable impact on net cash farm income, which is expected to be close to 1985 income. Off-farm income is important to many farmers, especially those on smaller farms, and the continuing rise in off-farm income should provide some support for farmland purchases. However, opportunities for off-farm income are limited in some areas that are dependent on agriculture, such as the Northern Plains, as well as more diversified regions that have suffered losses in nonfarm employment.

Another positive factor is that cash rents have decreased less than land values. Rent-to-value ratios indicate that many farms will produce rates of return on investment that are comparable with alternative long-term investments. Inquiries to ERS concerning land values from nonfarm investment groups and investment counselors indicate that they may be considering the purchase of farmland. If cash rents are an accurate reflection of returns to land, then the farm operator wishing to expand operations may also consider buying more land rather than renting.

Negative factors in the market are the large stocks of major farm commodities, uncertainty over income in future years as Government programs change, the continuing financial problems of farmers with heavy debt loads, and the likely addition of land to the

large acreage now on the market. On balance, the outlook for the remainder of 1986 is for a further decrease in values, but the loss is likely to be considerably less than 12 percent. Comments from the Farm Land Market Survey and expectations reported in ERS-land grant university surveys indicate further declines in regions that have been decreasing and continued increases in the Northeast. Thus, differences among regions will widen.

Some further downward movement is likely in 1987 as the adjustment of values to income proceeds. But again, the amount is expected to be less than in 1986. Farm program payments will remain frozen at relatively high levels in 1987, production expenses should decline, assuming a continuation of low interest rates and oil prices, and commodity prices would benefit from stronger export demand and program-induced cutbacks in production.

In the long run, farmland values will be influenced heavily by current and prospective income as they have been in the past, but forces in the general economy will also have important impacts. On the agricultural side, the physical productivity of farmland will increase with technological changes, putting downward pressure on commodity prices. Productive capacity of foreign agricultural producers will also increase, so that competition for export markets will continue. Costs per unit of production are likely to be reduced as better financed managers take over farming and adopt cost-reducing technology.

In the general economy, efforts to control Federal deficits may result in across-the-board budget cuts that will decrease payments to owners of farmland and other resources in agriculture. Tax reform, although the legislation has not been completed, appears likely to change the treatment of capital gains and depreciation, and limit the deductibility of farm losses from nonfarm income. These changes could affect the value of farmland to nonfarm investors but preliminary analysis suggests that the effects will be minor. Other important factors in the general economy include interest rates, foreign exchange rates, and growth in both domestic and foreign demand. ERS studies of future trends based on conditions in the general economy, as well as agriculture, suggest a stronger market for farmland in the late 1980's and early 1990's.

LAND VALUES

Farmland is the most valuable asset in the production of food and fiber. Although values have dropped substantially in recent years, real estate still represented 73 percent of total farm assets at the end of 1985. In 1981, real estate accounted for 78 percent of all assets.

The index of values dropped 12 percent, from 128 to 112 (1977=100), between April 1985 and February 1986, following a similar decline from 1984 to 1985. Historically, the largest consecutive decreases occurred in 1932 and 1933 when values fell by 17 and 19 percent, respectively. The drop in values in 1985 was widespread, with decreases of 10 percent or more in 25 States (figure 2).

Regionally, the largest decrease was in the Lake States, where Minnesota values dropped 26 percent. In the Corn Belt and Northern Plains, which sustained the largest losses a year earlier, values continued to decline, but at a slower rate. In the Southern Plains, values in Oklahoma continued to fall and Texas recorded its first decline since 1950. The decrease in Texas appears to be associated with problems in the oil industry, but declining water supplies in some irrigated areas and depressed conditions in ranching were also contributing factors. The Delta also suffered large losses compared with a year earlier, as Louisiana and Arkansas values fell further than those in the surrounding States.

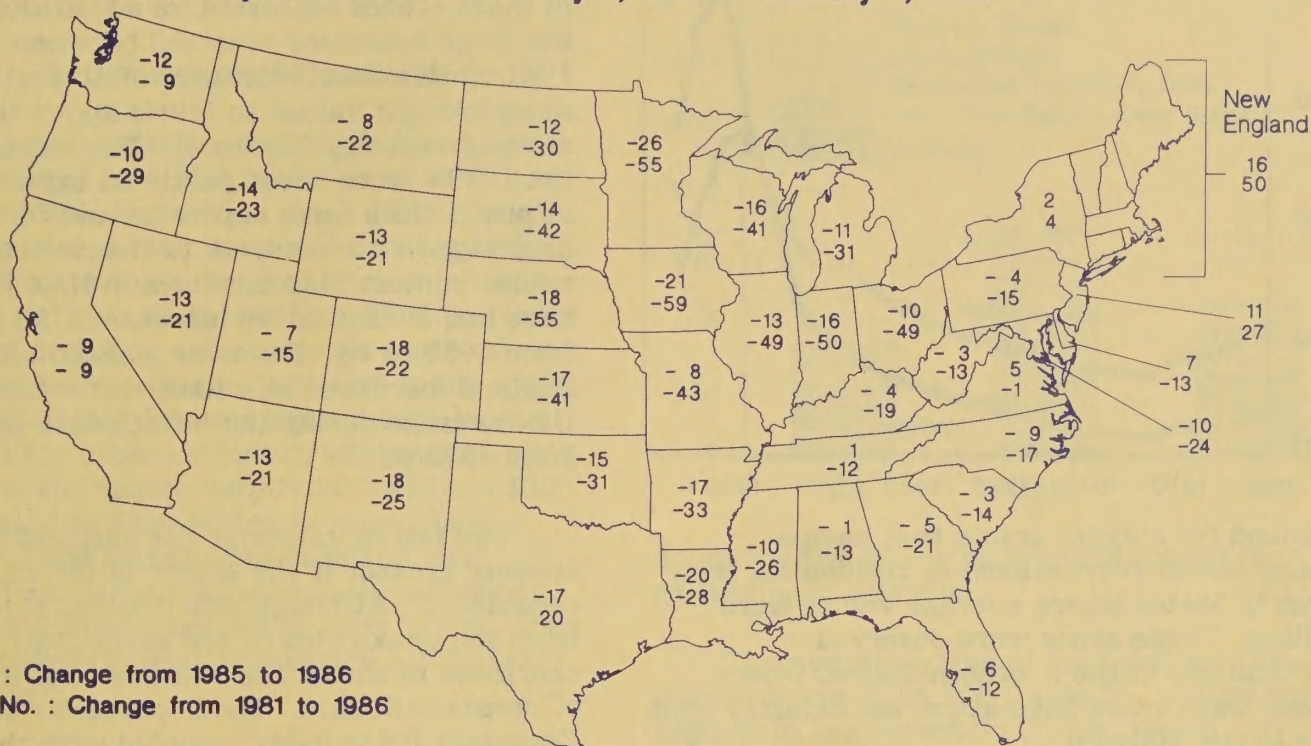
In contrast to large decreases in the majority of States, values increased substantially in the Northeast. The New England States showed a 16-percent gain and New Jersey values rose by 11 percent. The continuing increase in New England and New Jersey can be associated with a fairly stable dairy industry plus a variety of other farm types, and the nearness to large urban populations. The urban centers bolster demand for land for residential farms, rural residences, recreational properties, and suburban development, and also make direct marketing of farm produce more profitable for some farmers.

Generally, land values held up well in areas where there are alternative uses for farm and rural land. Respondents to ERS's Farm Land Market Survey indicated a strong

Figure 2

Percent Change in Average Value of Farm Real Estate Per Acre

April 1, 1985 - February 1, 1986 and February 1, 1981 - February 1, 1986

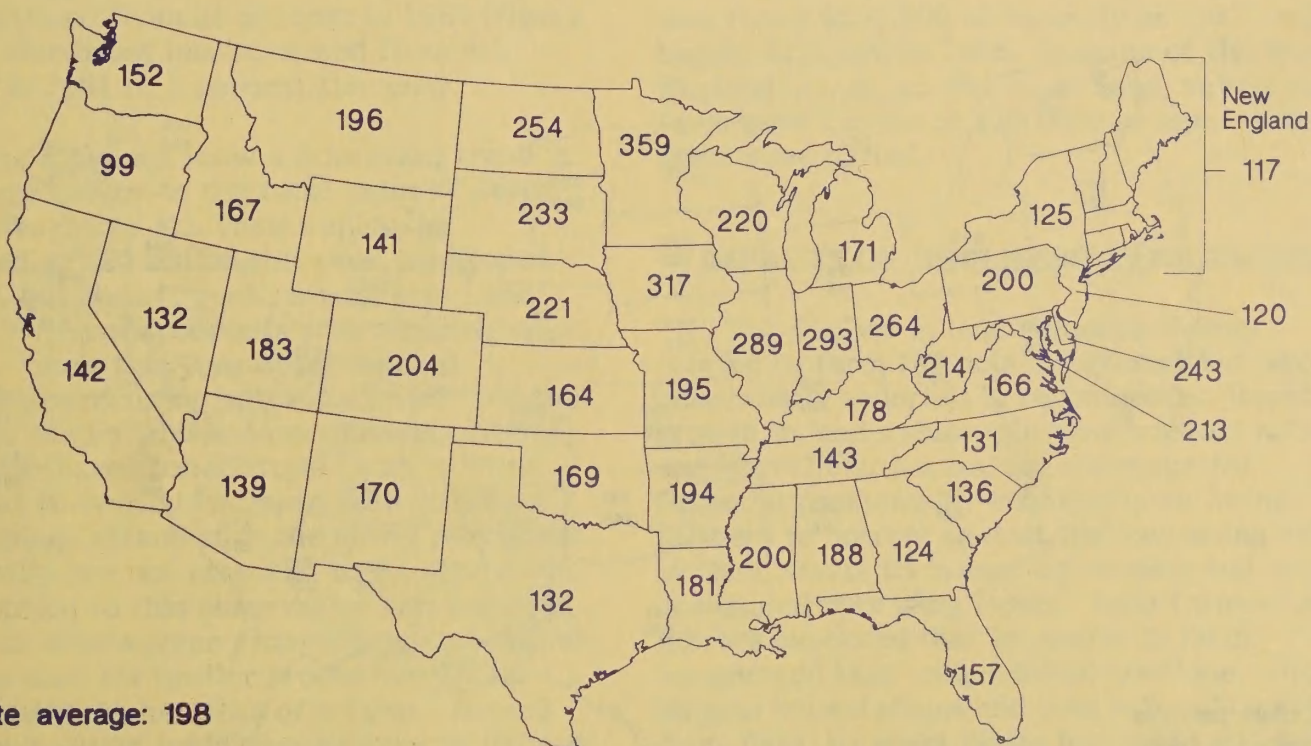


Top No. : Change from 1985 to 1986
Bottom No. : Change from 1981 to 1986

Based on index of average value per acre (1977=100)

Figure 3

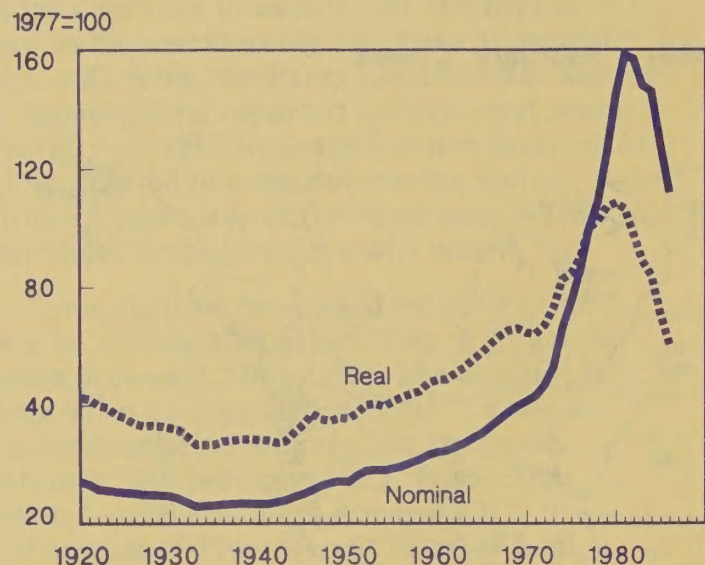
Percent Increase in Farm Real Estate Value Per Acre, 1973-81



48-State average: 198

Based on index of values, 1977=100.

Figure 4

Real vs. Nominal Value Per Acre

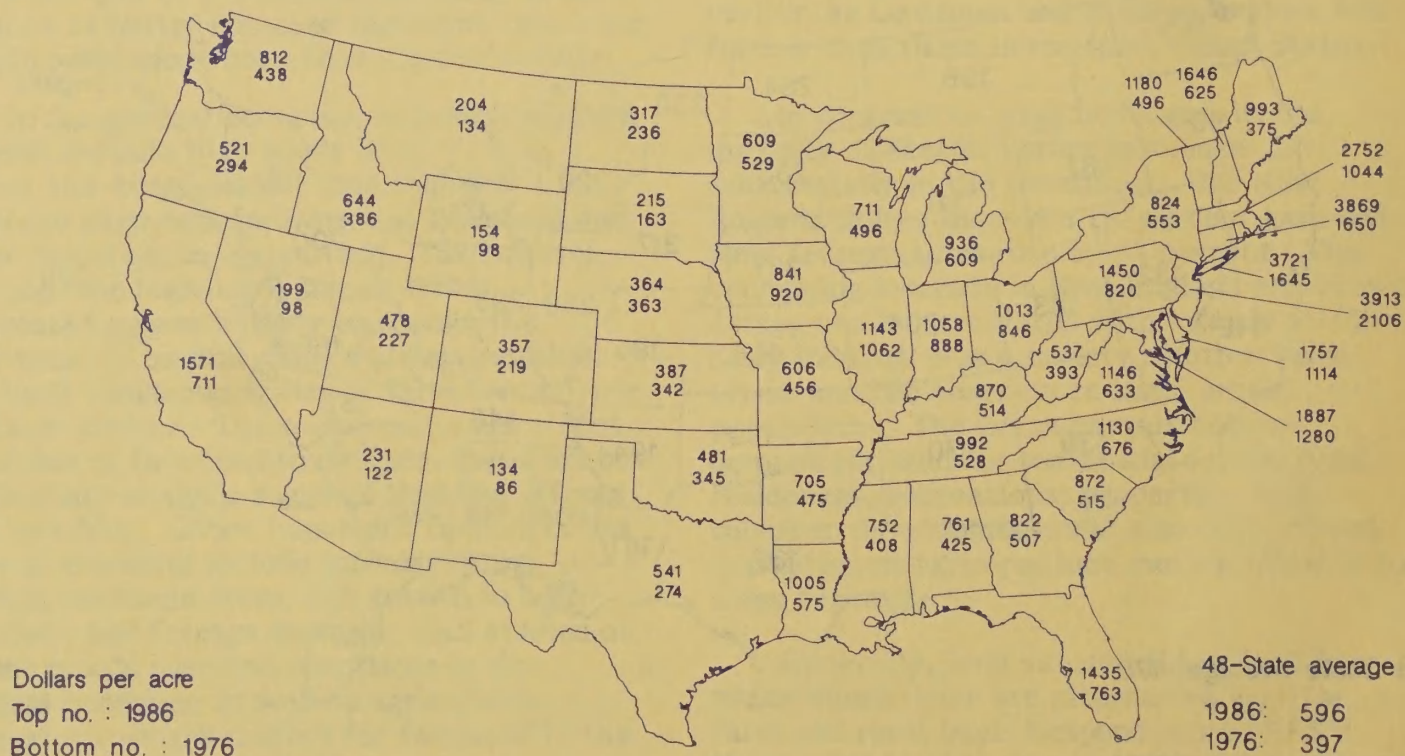
demand for smaller tracts that have a potential for recreational or residential use, even in States where average values were falling. These areas were observed particularly in the Southern States, where lower wage rates have attracted industry from the Upper Midwest.

Since the peak year of 1981, U.S. farmland values have fallen 29 percent (figure

2). However, losses of more than one-half have occurred in Iowa, Minnesota, and Nebraska, and approximately one-half for Illinois, Indiana, and Ohio. Part of the losses in those States represent an adjustment from the large increases reported between 1973 and 1981 when annual increases of 10 percent or more brought values to levels above their earning capacity (figure 3). The increases in the 1970's were based partly on expectations of profit from farm expansion and further capital gain. In contrast to the decline in values in most States, values in New England have had a cumulative increase of 50 percent from 1981 to 86. However, values in New England increased at a lower rate than the U.S. average during the inflationary period from 1973 to 1981.

The fall in values at the national level appears greater if the effect of inflation is considered. Although inflation has slowed from the peak rates of the early 1980's, it continues to shrink the value of land in terms of constant dollars. The 2-percent rise in the Consumer Price Index, coupled with the 12-percent decline in the index of farm real estate value implies a decrease of more than 14 percent in real terms from 1985 to 1986,

Figure 5

Farm Real Estate Values, 1986 and 1976

following a 15-percent drop from 1984 to 1985. These are the largest decreases in real value since value records were begun in 1912. Indexes of nominal and real values are shown in figure 4.

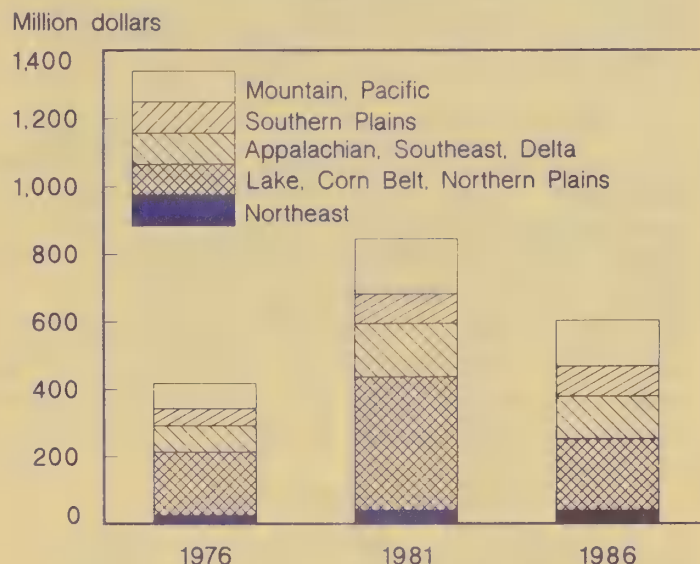
Dollar Values of Farmland

The average value of all U.S. farmland was estimated by USDA at \$596 per acre as of February 1986, the lowest since 1978 (table 2). The average includes a wide variety of productivity and use classes, from semi-arid grazing land valued at less than \$100 per acre to land in orchards and vineyards with values above \$20,000 per acre. Location is the most important factor in some areas which have a potential for urban or industrial development. State average values vary from less than \$300 in several Mountain States to more than \$3,000 in New Jersey, Rhode Island, and Connecticut (figure 5). Although values per acre have dropped rapidly in most States, they remain above their 1976 levels in all States except Iowa.

The total value of land and buildings was estimated at just under \$603 billion, compared with \$689 billion in 1985 and \$843 billion in 1981 (table 3). The relative importance of the ten regions in the total U.S. value has changed. The Corn Belt accounts for the largest share with 19 percent of the total, but it has declined from 26 percent in 1981 (figure 6). The Northeast has increased from 4.5 percent in 1981 to 6 percent this year.

Farm buildings show a downward trend in their contribution to the total value of farm real estate (table 4). Their value was estimated at \$80 billion this year, compared with \$91 billion last year. Most Farm Land Market Survey respondents who commented on building values this year observed that buildings generally do not add a great deal to the value of the land because the majority of land is purchased for addition to an existing farm that is already equipped with buildings. The buildings attached to the newly purchased land usually are not essential to its operation. An exception to this observation was noted in the South, where some respondents stated that buildings used for broiler production added substantially to the value of a farm. Buyers intending to start producing broilers or expand existing operations were interested in

Figure 6
Total Value of Farm Real Estate



acquiring the buildings to avoid delays in expanding production.

The average value of land and buildings per farm was \$264,500 (table 5). Values were highest in the Mountain States, which averaged just over \$500,000 per farm. These States include large ranches valued at more than \$1 million, and have relatively few small farms that would reduce the average value. The effect of decreasing values per acre on the average value per farm in the Corn Belt can be seen in Iowa, where the average value was above \$500,000 as recently as 1982, and barely \$250,000 in 1986. In some of the New England States, on the other hand, values per farm have increased \$100,000 or more in the same time period.

IMPACTS OF DECLINING LAND VALUES

The decline in land values is closely related to farm financial problems that have been widely reported in recent years. Rapid growth in land values, plus low interest rates and liberal loan terms, set the stage for financial problems by enabling landowning farmers to borrow against the increasing value of their assets to expand operations and cover occasional operating losses. Both farmers and lenders expected that increases in farm income and land values would continue. But as income expectations and land values began to drop, debt-to-asset ratios increased and debt levels that had been considered safe when

values were rising were no longer acceptable risks to lenders. Farm bankruptcies rose each year, from less than 1 percent in 1982 to 3.8 percent in 1985, according to surveys by the American Bankers Association.

Financial problems are reported to be most severe in the Corn Belt, Lake States, and Northern Plains, areas which have sustained the largest losses in land values in recent years. Financial problems may also be responsible for accelerating the decline in number of farms. Farm numbers declined about 6 percent from 1981 to 1985, compared with 2.6 percent from 1976 to 1980. However, much larger decreases in farm numbers were recorded in the 1960's.

The financial problems of farmers are carried over to other sectors of the rural economy, particularly farm lenders. The number of problem banks has increased and the proportion of agricultural banks in trouble has also risen. In the first 5 months of 1986, 25 of the 53 banks that failed were in farming areas. Other major lenders, including the Farm Credit System (FCS), the Farmers Home Administration (FmHA) and insurance companies also have been affected. The Farm Credit System sustained a loss of \$2.7 billion in 1985 and has acquired property valued at more than \$950 million through foreclosure or voluntary liquidation since 1980. Some Federal Land Bank Associations and Production Credit Associations have been merged or reorganized as a result of the large losses. Although the System faces further losses, it has been strengthened by passage of the Farm Credit Amendments Act of 1985. This legislation authorizes assistance from the Federal Treasury and formation of the FCS Capital Corporation to provide assistance to units of the System. It also strengthens the regulatory role of the Farm Credit Administration.

FmHA faces a rising demand for loans as other lenders attempt to shift financially weaker borrowers to that agency as the lender of last resort. At the same time, funding for the agency has been reduced. FmHA's inventory of acquired farmland has risen from 1 million acres in September 1985 to 1.4 million in February 1986. Many lenders have suffered losses as the value of land has frequently fallen below the amount loaned on it. Lenders acquiring large acreages of land

through foreclosure must make arrangements for selling or leasing and managing the land. There are reports of lenders using professional farm management services to manage their acquired land.

The total acreage of farmland taken over by lenders is unknown, and is constantly changing as some parcels are sold while others are being acquired. While the acreage is large in absolute terms, it represents a very small proportion of all farmland. For example, the 1.4 million acres now owned by FmHA are quite small compared with the roughly 1 billion acres in farmland in the United States. Along with acreage acquired by other lenders, it could be a factor in local land markets if large acreages are put up for sale at the same time. The Food Security Act of 1985 provides that farmland acquired by the Secretary of Agriculture must be sold or leased to operators of not larger than family-size farms, and that special consideration must be given to the previous owner when leasing the land.

The decline in land values and the accompanying financial stress have affected other businesses and community institutions in addition to farm lenders. Other businesses in rural areas have been hurt by the loss of purchasing power among farmers, who have cut expenditures in their effort to reduce debts on farmland or compensate for lower income. Lower land values have also eroded the property tax base in agricultural areas, forcing increases in tax rates or cutbacks in tax-supported services from local units of government.

CASH RENTS

Data from the ERS Farm Costs and Returns Survey (FCRS) indicate that 46 percent of all farmland was rented in 1984, somewhat higher than the Census estimate of 40 percent in 1982. Of that rented land, about 60 percent was rented for cash, although the proportion varies from less than 40 percent in the Corn Belt to more than 75 percent in the Northeast and Lake States. Cash rents shift most of the risk in farm production from the landlord to the tenant. There is some evidence in recent years that farmers who have been renting for cash are negotiating share leases with their landlords to get landlords to bear a larger share of the risk.

Cash rents are frequently used as an indicator of the income-generating power, and indirectly, the value of farmland. They also reflect the degree of competition among renters for the use of the land. Cash rents can be adjusted up or down in dollar amounts each year. But they frequently lag behind as land values move up or down because some leases run for more than one year at the same rent. During the 1970's when values were rising, rents also increased but at a slower rate. And as land values began to fall in the 1980's, rents in some States continued to rise for a year or more. When rents decreased, the decrease was usually at a relatively slow pace.

Cash rents for 1986 followed this pattern of lagging changes in value of land. Rents for whole farms were lower in 1986 than in 1985 in the Lake States, the Corn Belt and the Southeast. Rents in Iowa were down by as much as \$15 per acre (table 6). However, rents were steady in the Dakotas and were higher in some of the Northeast and Appalachian States.

Rents for cropland are better indicators of the productive value of farmland than whole-farm rents, because whole farm rents may include payment for unproductive land as well as farm buildings and farm dwellings. Cropland rents declined in nearly every State in 1986, but generally by relatively smaller amounts than the decline in land values (table 7). In Minnesota, for example, cropland rent dropped more than \$8 per acre, or 13 percent, while cropland value decreased \$180 per acre, or 23 percent. Thus, rent-to-value ratios were higher in most States in 1986 than in 1985, carrying on the upward trend of the past 3 years. In several States, particularly in the Western Corn Belt and Northern Plains, rent-to-value ratios have reached their highest levels in more than 5 years. Rents for irrigated cropland in most Mountain and Pacific States decreased from 1985 to 1986 and rent-to-value ratios increased (table 8). Rents on pasture land fell in most States, but like whole farms and cropland the decreases were less than the decreases in value, sending rent-to-value ratios higher in 1986 (table 9). Rent-to-value ratios are higher in the Lake States, Corn Belt, and Northern Plains than in the other regions.

Rent-to-value ratios based on gross cash rents tend to overstate the rate of return on

investment in farmland because they make no allowance for property taxes, maintenance, and other expenses which are usually the responsibility of the landlord. Subtraction of these expenses from gross cash rents in several Corn Belt and Northern Plains States still leaves a net return on investment at 1986 values that is comparable with some alternative investments such as certificates of deposit. As an example, a \$10-per-acre charge for taxes and other expenses on an Iowa farm valued at the State average of \$841 per acre and producing a gross cash rent of \$83 would leave \$73 net, a return on investment of 8.7 percent.

FARMLAND TRANSFERS

The annual Farm Land Market Survey obtains information on sales of farmland, including buyer and seller characteristics, expected land use on parcels transferred, sale values and financial aspects of the transfers. Comments by respondents to the survey indicated that the number of transfers declined from 1985 to 1986, continuing the downward trend of the past several years. This is consistent with the reported decline in demand for farmland reported by other surveys in most parts of the Nation. The decrease in demand is believed to be greater for marginal than for average land.

In 1986, Farmland Market Survey respondents were asked to estimate the proportion of transfers in their counties that were voluntary or estate sales, family transfers, foreclosures and other sales. Voluntary and estate sales accounted for the largest share of transfers, 57 percent, but foreclosures were also a major cause of transfers, accounting for 22 percent. Realtors and lenders indicated that many of the voluntary transfers were initiated to avoid foreclosure, so the number of transfers involving financial difficulty is probably well above those where lenders have actually foreclosed.

Farmland Buyers and Sellers

As in previous years, farmers who already own land were the most important group of buyers, accounting for 58 percent of purchases (table 10). However, the proportion of purchases by owner-operators was less than

in 1985. Nonfarm buyers increased their share of purchases to 30 percent, up from 24 percent last year. The increase in nonfarm purchases was evident in all regions except the Delta and Mountain States. Nonfarmers accounted for one-third or more of purchases in four regions. Tenant-operators made 10 percent of the purchases and retired farmers 2 percent. Retired farmers are not important purchasers of land, but their share of purchases increased in most regions.

Owners slightly increased their share of acreage purchased, while the acreage purchased by nonfarm buyers decreased. Nonfarmers purchased 43 percent of the land transferred in the Southeast, and only 7 percent in the Mountain States. The value of land purchased by owner-operators decreased from 1985 to 1986, while the value for nonfarmers increased. Nonfarm buyers accounted for more than 40 percent of the value of purchased acreage in the Northeast, Southeast, and Southern Plains, but one-quarter or less in the Corn Belt, Northern Plains, Delta, and Mountain States. Evidently, nonfarmers purchased smaller parcels of higher-priced land, while owner-operators typically chose larger tracts with a lower value per acre. This is consistent with statements by survey respondents that the market for smaller tracts and residential or retirement farms was stronger than for larger tracts.

Sellers of farmland are classified as estates, active farmers (including those remaining in farming, retiring, or quitting) retired farmers, and nonfarmers or nonfarm businesses (table 11). Estate sales were lower this year than in 1985 in number, acreage, and value, while sales by the nonfarm sector increased in each of these categories. Active farmers and retired farmers combined accounted for 60 percent of total sales, 63 percent of the acreage, and 61 percent of the value of land sold. The data indicate little change from 1985 in the importance of farmers in terms of number of sales and the value of sales, but there is an increase in terms of acreage.

Around 53 percent of the acreage sold was farmed by the owner prior to the sale, down from 59 percent last year. The acreage farmed by tenants increased from 29 percent to 36 percent. After the sale, 72 percent was

expected to be farmed by the new owner and only 15 percent by tenant-operators. Hired managers were expected to farm 8 percent, and 5 percent was not expected to be farmed. About 88 percent was expected to remain in agriculture during the next 5 years, with minor amounts going to forestry, mineral development, recreation, rural residences, subdivisions, and commercial or residential uses.

Sale Prices

Prices per acre of land transferred declined 4.4 percent from 1985 to 1986 (table 12). Prices increased in several regions but the increase was more than offset by declines in important farming areas such as the Corn Belt and Northern Plains. For land expected to remain in agriculture, the price declined from \$666 in 1985 to \$580.

Financial Aspects of Transfers

The proportion of farmland transfers involving credit peaked at 91 percent in 1981 and has decreased each year since (table 13). The downward trend accelerated in 1986, dropping to 76 percent from 82 percent in 1985. This is the lowest level in more than 20 years. Transfers involving credit have decreased in all regions, but the decline has been most pronounced in the Northern Plains, where credit was involved in 94 percent of transfers in 1980 and in only 69 percent in 1986. However, on transfers requiring financing, the ratio of debt-to-purchase price has been remarkably stable, varying only between 76 and 79 percent since 1975 (table 14).

Sellers were the most important source of credit for financing farmland transfers, accounting for almost one-third of the total volume of credit (table 15). Federal Land Banks were the second largest credit source with one-fourth of the credit. The proportion of credit provided by the Federal Land Banks has been decreasing since 1983, when they provided 37 percent. On the other hand, commercial banks have been increasing their share, and this year they provided 21 percent of the credit, up from 13 percent last year and only 4 percent as recently as 1982. The declining importance of the Federal Land Banks is probably due to their relatively high

interest rates that have caused borrowers to seek other sources of credit. Stresses on the Farm Credit System have prevented the Federal Land Banks from lowering their interest rates. Apparently commercial banks, having more flexibility to change interest rates, have been able to attract some of these borrowers.

APPENDIX

Procedures for Calculating the Farm Real Estate Value Index

Currently, a weighted-average method is used to construct the State-level farm real estate value index, weighting farmland value estimates from ERS's Agricultural Land Value Survey with Census of Agriculture estimates of farmland acreage. ERS's survey asks farmers to estimate the market value of four types of farmland in their locality: irrigated and nonirrigated cropland, pasture, and woodland. Straight averages of these survey estimates are calculated by type of farmland for approximately eight strata per State and then weighted up to the State level based on the relative proportion of acreage in each of the strata. These State averages for each type of farmland are then weighted by the relative proportion of acreage in each type of farmland to obtain a State average of all farmland. Finally, the current period's weighted State averages of all farmland are divided by the base period's averages to derive the State index numbers, which measure the change in farmland value since the base period.

The farm real estate value index was initiated in 1926 to: allow better comparison among States by using index numbers instead of absolute value; and to minimize confusion between the farmland values series based on Census data and the series based on USDA's survey data (U.S. Department of Agriculture, 1926). The procedures used to accomplish this purpose have remained fairly constant until recently, although there was some initial experimentation with the index. Initially, both a weighted and an unweighted index were published. Also, there was some experimentation with the categories for which farmland values were elicited; asking for the average value of poor, average, and good "plowland" was rejected in favor of asking for

the average value of the more familiar "all farmland with improvements."

Recent changes in the procedures used for the farm real estate value index include the use of a new survey to collect the underlying farmland value estimates, and some small changes in the procedures used to weight the index. In 1985, the survey used to collect farmland value estimates was changed to a stratified design, asking for separate value estimates of irrigated and nonirrigated cropland, pasture, and woodland. Before last year, separate estimates of irrigated and nonirrigated cropland, and pasture were collected only for selected Western States. There were also some minor changes in the definition of farmland value in the new Agricultural Land Value Survey. Unlike the previous survey, the new survey asks farmers to include urban influence in their estimate of farmland value, and to exclude the value of buildings. Finally, the new survey uses a random sample of farmers within predefined strata.¹

Several modifications in the procedures used to weight the index were also made in 1985. The first modification was to weight farmland values with different strata, which give slightly less weight to urban fringe farmland values. The second modification was in the procedure for updating the Census acreage weights. Even though the Census data used for the acreage weights are available every 4 or 5 years, the weights traditionally had been held constant for approximately 10 years and once were held constant for 25 years.

The procedure used from 1985 forward will be to change the weights after each Census. There are two major reasons why changing the weights every Census year instead of every 10 years will improve the farm real estate value index. First, changing the acreage weights more frequently makes them more representative of current land-use patterns. A forthcoming ERS study shows that the acreage weights changed enough over a

¹For a more detailed description of the new Agricultural Land Value Survey see: University of Nebraska-Lincoln Agricultural Experiment Station. *Ongoing Farmland Market Research: A Handbook*, NCR Research Publication No. 306, September 1985.

10-year period to alter index numbers by one or two percentage points in many States.² Second, changing the weights every 5 years makes the resulting index numbers more consistent with the dollar value series, which is also weighted by Census acreages and is also updated after each Census.

²The effects and theoretical implications of using Paasche, Laspeyres, and Divisia formulas to calculate the farm real estate index are explored in: USDA, ERS. *Alternative Methods for Indexing Farm Real Estate Values*, forthcoming ERS Technical Bulletin.

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Table 1—Farm real estate values: Indexes of the average value per acre of land and buildings, by State, grouped by farm production region, Feb. 1, 1979–1981; and April 1, 1982–85; and Feb. 1, 1986 1/

State	1979	1980	1981	1982	1983	1984	1985	1986	Percent change 1985–86
1977 = 100									
Northeast									
Maine 2/	126	135	143	149	152	162	185	215	16
New Hampshire 2/	126	135	143	149	152	162	185	215	16
Vermont 2/	126	135	143	149	152	162	185	215	16
Massachusetts 2/	126	135	143	149	152	162	185	216	16
Rhode Island 2/	126	135	143	149	152	162	185	215	16
Connecticut 2/	126	135	143	149	152	162	185	215	16
New York	113	119	126	132	129	133	128	131	2
New Jersey	111	120	123	128	125	129	141	157	11
Pennsylvania	127	140	144	133	128	138	127	122	-4
Delaware	129	151	158	143	143	146	128	137	7
Maryland	133	166	188	178	160	165	185	142	-10
Lake States									
Michigan	124	138	157	152	141	141	121	108	-11
Wisconsin	139	159	179	174	165	155	126	106	-16
Minnesota	131	154	179	174	155	144	109	81	-26
Corn Belt									
Ohio	138	156	160	137	121	116	90	81	-10
Indiana	130	150	161	140	122	121	96	81	-16
Illinois	125	135	144	131	117	115	84	73	-13
Iowa	119	139	150	139	121	108	77	61	-21
Missouri	127	154	165	153	133	133	102	94	-8
Northern Plains									
North Dakota	119	136	145	149	142	142	116	102	-12
South Dakota	132	141	150	150	140	136	101	87	-14
Nebraska	120	137	151	143	129	114	82	67	-18
Kansas	117	134	137	136	126	122	98	81	-17
Appalachian									
Virginia	128	139	149	143	144	143	140	147	5
West Virginia	126	150	160	177	177	172	143	139	-3
North Carolina	122	141	155	149	150	158	142	129	-9
Kentucky	133	147	153	154	149	143	129	124	-4
Tennessee	122	136	146	138	131	135	127	128	1
Southeast									
South Carolina	114	130	137	136	128	125	121	117	-3
Georgia	118	132	139	128	124	122	116	110	-5
Florida 3/	120	141	157	149	152	155	147	138	-6
Alabama	120	149	176	174	165	162	154	152	-1
Delta States									
Mississippi	129	156	198	189	174	183	163	147	-10
Arkansas	137	163	188	196	174	167	152	126	-17
Louisiana	132	169	200	199	195	195	181	145	-20
Southern Plains									
Oklahoma	121	143	156	164	156	156	126	107	-15
Texas	124	144	158	185	191	208	229	190	-17
Mountain States									
Montana	121	142	148	157	146	149	125	115	-8
Idaho	117	134	144	151	140	140	129	111	-14
Wyoming 5/	118	126	135	140	133	136	122	106	-13
Colorado	126	147	161	164	161	166	154	126	-18
New Mexico 4,5/	126	166	178	185	176	180	162	133	-18
Arizona 4,5/	126	167	179	186	177	181	163	142	-13
Utah 4,5/	127	169	181	188	179	183	165	153	-7
Nevada 4,5/	134	178	190	198	188	192	173	151	-13
Pacific States									
Washington	118	124	146	152	152	157	151	133	-12
Oregon	120	132	144	145	138	137	114	103	-10
California	138	166	201	221	223	223	201	183	-9
48 States	125	145	158	157	148	146	128	112	-12

1/ These indexes are based on USDA surveys. For some years, they show changes that differ from those shown by the dollar values in Table 2.

²Indexes for 1979–85 were estimated by combining survey data to obtain an average rate of change for these 6 New England States. ³Indexes for 1979–82 were estimated using the average of the percentage changes in the Georgia and Alabama indexes. ⁴Indexes for 1979–80 were estimated by combining survey data to obtain an average rate of change for these 4 Mountain States. ⁵Indexes for 1981–1985 were estimated using the average of the percentage changes in the Montana, Idaho, and Colorado indexes. 1986 indexes for Arizona and Nevada, based on the average of the percentage change in Montana, Idaho, and Colorado.

Table 2-Farm real estate values: Average value per acre of land and buildings, by State, grouped by farm production region, Feb. 1, 1979-81; April 1, 1982-85; and Feb. 1, 1986

State	1979	1980	1981	1982	1983	1984	1985	1986
Dollars								
Northeast								
Maine	538	594	642	680	708	750	856	993
New Hampshire	919	1,004	1,078	1,136	1,174	1,244	1,419	1,646
Vermont	660	721	774	815	842	893	1,017	1,180
Massachusetts	1,443	1,608	1,752	1,874	1,963	2,081	2,372	2,752
Rhode Island	2,370	2,523	2,646	2,729	2,760	2,926	3,335	3,869
Connecticut	2,227	2,387	2,517	2,610	2,655	2,814	3,208	3,721
New York	670	720	773	821	817	842	808	824
New Jersey	2,701	2,947	3,040	3,181	3,140	3,234	3,525	3,913
Pennsylvania	1,273	1,464	1,568	1,513	1,520	1,642	1,510	1,450
Delaware	1,500	1,798	1,928	1,787	1,829	1,866	1,642	1,757
Maryland	1,800	2,238	2,530	2,376	2,121	2,185	2,097	1,887
Lake States								
Michigan	975	1,111	1,289	1,278	1,223	1,223	1,052	936
Wisconsin	856	1,004	1,152	1,144	1,113	1,046	847	711
Minnesota	901	1,086	1,281	1,272	1,165	1,083	823	609
Corn Belt								
Ohio	1,483	1,730	1,831	1,629	1,504	1,444	1,126	1,013
Indiana	1,589	1,863	2,031	1,804	1,610	1,594	1,259	1,058
Illinois	1,858	2,041	2,188	2,023	1,837	1,800	1,314	1,143
Iowa	1,550	1,840	1,999	1,889	1,684	1,499	1,064	841
Missouri	726	902	990	945	856	856	659	606
Northern Plains								
North Dakota	347	405	436	455	439	439	360	317
South Dakota	256	292	329	349	348	338	250	215
Nebraska	525	635	729	730	701	617	444	364
Kansas	501	587	619	628	601	583	466	387
Appalachian								
Virginia	930	1,028	1,118	1,096	1,125	1,114	1,091	1,146
West Virginia	592	669	681	723	688	667	554	537
North Carolina	1,051	1,219	1,340	1,297	1,314	1,380	1,242	1,130
Kentucky	861	976	1,033	1,058	1,049	1,007	906	870
Tennessee	860	976	1,070	1,040	1,014	1,044	982	992
Southeast								
South Carolina	773	900	972	980	946	927	899	872
Georgia	777	896	971	926	929	910	865	822
Florida	1,149	1,381	1,565	1,518	1,576	1,608	1,527	1,435
Alabama	639	780	910	885	826	809	769	761
Delta States								
Mississippi	681	819	1,034	981	894	939	835	752
Arkansas	770	918	1,056	1,096	972	933	849	705
Louisiana	1,001	1,256	1,454	1,414	1,351	1,351	1,256	1,005
Southern Plains								
Oklahoma	512	614	681	725	699	699	566	481
Texas	386	436	468	539	544	593	652	541
Mountain States								
Montana	196	235	251	271	259	264	222	204
Idaho	585	698	774	839	814	814	749	644
Wyoming	144	161	180	193	193	197	177	154
Colorado	322	387	434	451	454	468	435	357
New Mexico	143	185	192	195	178	182	163	134
Arizona	199	267	287	302	289	295	265	231
Utah	400	530	567	589	560	571	514	478
Nevada	191	248	262	263	249	254	229	199
Pacific States								
Washington	692	736	877	922	933	961	923	812
Oregon	504	587	658	705	705	698	579	521
California	1,186	1,424	1,732	1,900	1,918	1,918	1,726	1,571
All States	628	737	819	823	788	782	679	596

1/ These values are based on land-value benchmarks obtained from the Census of Agriculture. For intercensal years, interpolations and extrapolations are made using the indexes in Table 1. For some years, the dollar values show changes that differ from the changes shown in Table 1.

Table 3—Farm real estate: Total value of land and buildings, by State,
grouped by farm production region, 1980-1986

State	Feb 1, 1980	Feb 1, 1981	Apr 1, 1982	Apr 1, 1983	Apr 1, 1984	Apr 1, 1985	Feb 1, 1986
Million dollars							
Northeast							
Maine	959	1,027	1,074	1,104	1,170	1,301	1,509
New Hampshire	547	588	613	634	678	766	889
Vermont	1,255	1,393	1,385	1,431	1,517	1,627	1,888
Massachusetts	1,158	1,226	1,293	1,315	1,415	1,613	1,871
Rhode Island	189	212	205	207	214	243	282
Connecticut	1,170	1,258	1,279	1,328	1,351	1,444	1,675
New York	6,768	7,498	7,800	7,762	7,910	7,434	7,582
New Jersey	3,006	3,131	3,245	3,140	3,137	3,349	3,717
Pennsylvania	13,176	13,955	13,314	13,224	14,282	13,137	12,612
Delaware	1,169	1,253	1,179	1,189	1,231	1,067	1,142
Maryland	6,154	7,084	6,534	5,727	5,899	5,557	5,001
Lake States							
Michigan	12,665	14,695	14,569	13,942	13,942	11,993	10,674
Wisconsin	18,674	21,427	21,164	20,257	18,832	14,992	12,593
Minnesota	32,906	38,942	38,669	35,416	32,937	25,019	18,514
Corn Belt							
Ohio	28,026	29,479	26,064	23,914	22,813	17,791	16,012
Indiana	31,298	34,121	30,307	26,726	26,140	20,648	17,344
Illinois	58,781	63,014	58,060	52,722	51,667	37,712	32,809
Iowa	62,192	67,366	63,659	56,751	50,358	35,750	28,243
Missouri	28,232	30,987	29,484	26,707	26,536	20,297	18,673
Northern Plains							
North Dakota	16,888	18,007	18,655	17,999	17,999	14,724	12,957
South Dakota	13,140	14,706	15,530	15,486	15,021	11,125	9,568
Nebraska	30,290	34,773	34,675	33,227	29,117	20,957	17,185
Kansas	28,352	29,898	30,332	29,028	27,983	22,368	18,565
Appalachian							
Virginia	10,074	10,956	10,740	11,025	10,803	10,474	10,997
West Virginia	2,810	3,064	3,108	2,752	2,536	1,939	1,881
North Carolina	14,262	15,276	14,397	14,454	15,177	13,414	12,206
Kentucky	14,250	15,082	15,341	15,211	14,602	13,137	12,612
Tennessee	13,274	14,445	15,936	13,588	13,995	13,159	13,290
Southeast							
South Carolina	5,760	6,123	5,880	5,487	5,192	4,944	4,796
Georgia	13,440	14,080	12,964	12,727	12,291	11,678	11,094
Florida	18,505	20,658	19,886	20,488	20,898	19,851	18,660
Alabama	9,516	10,829	10,443	9,582	9,309	8,844	8,755
Delta States							
Mississippi	11,957	15,096	14,224	12,784	13,330	11,857	10,671
Arkansas	15,147	17,213	17,755	15,746	15,023	13,584	11,275
Louisiana	12,686	14,685	14,423	13,645	13,645	12,685	10,148
Southern Plains							
Oklahoma	21,244	23,154	24,288	23,417	23,067	18,678	15,876
Texas	60,255	64,397	73,951	74,528	81,117	88,868	73,760
Mountain States							
Montana	14,546	15,487	16,666	15,877	16,141	13,520	12,438
Idaho	10,610	11,610	12,501	12,129	11,966	11,010	9,469
Wyoming	5,635	6,300	6,755	6,755	6,851	6,160	5,359
Colorado	13,932	15,407	15,875	15,799	16,180	14,964	12,270
New Mexico	8,658	8,986	8,970	8,188	8,315	7,335	6,015
Arizona	10,173	10,849	11,325	10,838	11,054	9,938	8,646
Utah	6,572	6,917	7,127	6,720	6,740	5,962	5,545
Nevada	2,230	2,332	2,385	2,216	2,235	2,015	1,753
Pacific States							
Washington	11,997	14,382	15,121	15,208	15,472	15,045	13,240
Oregon	10,625	12,091	12,690	12,690	12,563	10,422	9,380
California	48,131	58,195	63,460	63,678	63,294	56,613	51,518
48 States	763,285	843,657	843,304	804,765	793,946	687,008	602,959

Table 4—Farm buildings: Total value of farm buildings, by State, grouped farm production region, 1980-86

	Feb 1, 1980	Feb 1, 1981	Apr 1, 1982	Apr 1, 1983	Apr 1, 1984	Apr 1, 1985	Feb 1, 1986
Million dollars							
Northeast							
Maine	344	365	378	385	404	444	510
New Hampshire	173	184	190	194	206	230	264
Vermont	399	439	432	442	463	492	565
Massachusetts	450	472	493	496	529	597	685
Rhode Island	45	50	48	48	49	55	63
Connecticut	370	394	396	407	410	434	498
New York	2,193	2,405	2,477	2,440	2,462	2,290	2,313
New Jersey	700	722	741	710	702	742	815
Pennsylvania	3,663	3,841	3,628	3,567	3,814	3,473	3,301
Delaware	216	230	214	213	219	188	199
Maryland	1,260	1,445	1,319	1,145	1,167	1,089	970
Lake States							
Michigan	2,862	3,288	3,227	3,057	3,027	2,578	2,271
Wisconsin	5,397	6,131	5,995	5,680	5,228	4,120	3,426
Minnesota	5,035	5,899	5,799	5,258	4,841	3,640	2,667
Corn Belt							
Ohio	4,512	4,699	4,112	3,736	3,528	2,724	2,427
Indiana	4,257	4,594	4,040	3,527	3,415	2,670	2,221
Illinois	4,820	5,116	4,666	4,195	4,070	2,941	2,533
Iowa	6,779	7,269	6,801	6,002	5,273	3,706	2,898
Missouri	4,150	4,510	4,248	3,809	3,747	2,837	2,584
Northern Plains							
North Dakota	1,740	1,836	1,883	1,799	1,781	1,442	1,256
South Dakota	1,459	1,616	1,690	1,668	1,602	1,174	1,000
Nebraska	2,544	2,892	2,855	2,708	2,349	1,674	1,359
Kansas	2,864	2,989	3,003	2,845	2,715	2,148	1,765
Appalachian							
Virginia	2,196	2,365	2,295	2,332	2,262	2,171	2,257
West Virginia	697	752	756	662	604	457	439
North Carolina	3,038	3,221	3,005	2,987	3,105	2,717	2,448
Kentucky	3,064	3,210	3,233	3,173	3,016	2,686	2,553
Tennessee	3,053	3,289	3,141	3,032	3,092	2,878	2,878
Southeast							
South Carolina	1,042	1,097	1,043	964	903	851	817
Georgia	2,164	2,244	2,046	1,988	1,901	1,788	1,682
Florida	1,721	1,902	1,813	1,849	1,867	1,756	1,634
Alabama	1,903	2,144	2,047	1,859	1,788	1,682	1,649
Delta States							
Mississippi	1,758	2,197	2,049	1,823	1,882	1,658	1,477
Arkansas	2,136	2,403	2,454	2,154	2,035	1,821	1,497
Louisiana	1,484	1,701	1,654	1,549	1,534	1,411	1,118
Southern Plains							
Oklahoma	2,507	2,705	2,809	2,681	2,615	2,096	1,764
Texas	5,423	5,738	6,523	6,508	7,013	7,606	6,250
Mountain States							
Montana	1,236	1,303	1,388	1,309	1,318	1,093	995
Idaho	1,432	1,552	1,654	1,589	1,552	1,414	1,203
Wyoming	535	592	629	623	625	556	479
Colorado	1,588	1,739	1,774	1,748	1,772	1,622	1,317
New Mexico	866	890	879	794	799	698	566
Arizona	824	870	899	852	860	765	659
Utah	927	966	985	919	913	799	736
Nevada	274	284	287	264	264	236	203
Pacific States							
Washington	2,003	2,378	2,475	2,464	2,482	2,389	2,082
Oregon	1,902	2,143	2,226	2,204	2,160	1,774	1,581
California	5,294	6,337	6,842	6,796	6,688	5,922	5,335
48 States	105,307	115,405	113,540	107,458	105,048	90,538	80,212

Table 5--Average value of land and buildings per farm, by State, grouped by farm production region, 1980-86 1/

State	Feb 1, 1980	Feb 1, 1981	Apr 1, 1982	Apr 1, 1983	Apr 1, 1984	Apr 1, 1985	Feb 1, 1986
Dollars							
Northeast							
Maine	115,600	126,800	136,000	136,400	146,300	166,800	193,500
New Hampshire	160,900	172,800	180,400	186,500	199,500	225,300	261,400
Vermont	162,900	169,900	184,700	190,900	207,800	232,400	269,600
Massachusetts	186,700	201,000	212,000	215,600	232,000	268,800	311,800
Rhode Island	220,000	258,100	255,800	258,800	284,800	324,600	376,500
Connecticut	278,500	292,700	297,400	308,700	329,500	379,800	440,600
New York	144,000	159,500	162,500	158,400	168,300	165,100	168,400
New Jersey	319,800	329,600	341,500	330,500	333,700	384,900	427,200
Pennsylvania	212,500	228,800	221,900	224,100	246,200	226,500	217,400
Delaware	333,900	358,000	337,000	339,700	342,000	304,900	326,200
Maryland	351,700	389,200	363,000	318,100	331,400	308,700	277,800
Lake States							
Michigan	194,900	226,100	227,600	217,800	221,300	190,300	169,400
Wisconsin	200,800	232,900	235,200	230,200	219,000	180,600	151,700
Minnesota	316,400	374,400	375,400	347,200	326,100	260,600	192,800
Corn Belt							
Ohio	295,000	313,600	280,300	259,900	253,500	199,800	179,900
Indiana	359,800	392,200	356,600	318,200	318,800	254,900	214,100
Illinois	549,400	588,900	558,300	527,200	549,700	419,000	364,500
Iowa	522,600	570,900	544,100	493,500	445,600	322,000	254,400
Missouri	235,300	258,200	249,900	226,300	226,800	176,400	162,300
Northern Plains							
North Dakota	422,200	467,700	504,200	493,100	507,000	433,000	381,000
South Dakota	341,300	387,000	414,100	418,500	406,000	300,600	258,500
Nebraska	466,000	534,900	550,400	535,900	485,300	355,200	291,200
Kansas	378,000	398,600	404,400	387,000	378,100	310,600	257,800
Appalachian							
Virginia	173,700	185,700	179,000	190,100	192,900	190,400	199,900
West Virginia	127,700	138,000	139,400	120,700	115,300	95,500	92,600
North Carolina	153,400	169,700	167,400	174,100	192,100	176,400	160,600
Kentucky	139,700	146,400	148,900	147,700	144,600	131,300	126,100
Tennessee	138,300	152,000	146,700	143,000	144,300	134,200	135,600
Southeast							
South Carolina	169,400	185,600	189,700	189,200	185,400	179,800	174,400
Georgia	227,800	234,600	227,400	231,400	241,400	233,500	221,800
Florida	474,500	516,500	497,100	512,200	522,400	509,000	478,400
Alabama	161,300	190,000	189,900	177,400	172,400	163,700	162,100
Delta States							
Mississippi	217,400	269,600	268,400	250,700	266,600	247,000	222,300
Arkansas	256,700	296,800	311,500	281,200	273,200	256,300	212,700
Louisiana	342,900	386,500	384,600	373,800	379,000	357,300	285,800
Southern Plains							
Oklahoma	295,100	317,200	332,700	320,800	316,000	263,000	223,600
Texas	318,800	340,700	393,400	398,500	433,800	482,900	400,800
Mountain States							
Montana	611,200	648,000	694,400	661,500	675,400	572,800	527,000
Idaho	434,800	477,800	506,100	495,000	486,400	447,500	384,900
Wyoming	619,200	677,400	742,300	734,200	752,800	684,400	595,400
Colorado	525,700	570,600	577,300	585,200	599,200	560,400	459,500
New Mexico	641,300	641,800	640,700	584,900	594,000	531,500	435,800
Arizona	1,356,400	1,390,800	1,415,600	1,321,600	1,331,800	1,169,100	1,017,132
Utah	486,800	501,300	509,100	480,000	481,400	428,900	398,900
Nevada	768,800	752,200	822,500	820,800	859,600	806,000	701,200
Pacific States							
Washington	315,700	364,100	387,700	400,200	407,200	395,900	348,400
Oregon	303,600	331,300	343,000	338,400	339,500	285,500	256,900
California	594,200	701,100	773,900	796,000	811,500	716,600	652,100
48 States	314,400	347,300	352,000	340,300	341,800	301,400	264,500

Table 6--Farms rented for cash: Gross cash rent per acre and ratio of rent to value, selected States, 1982-86 1/

State	Rent per acre					Ratio of rent to value				
	1982	1983	1984	1985	1986	1982	1983	1984	1985	1986
	Dollars					Percent				
Northeast										
New Jersey	44.10	51.50	54.60	41.68	44.63	1.8	2.1	1.4	1.3	1.1
Pennsylvania 2/	37.60	39.30	38.82	35.83	34.75	2.5	2.8	2.2	2.3	2.4
Delaware	57.50	57.30	66.22	63.26	64.02	3.5	3.5	3.8	3.6	3.6
Maryland	47.40	52.70	57.15	57.51	52.46	2.6	2.9	3.0	2.4	3.2
Lake States										
Michigan 3/	50.20	51.70	47.72	46.05	43.87	4.2	4.6	4.5	5.1	5.5
Wisconsin	53.30	56.60	56.14	53.24	43.69	5.3	5.2	5.3	6.5	6.7
Minnesota 4/	68.30	68.10	64.15	60.04	52.85	4.9	5.5	6.3	7.6	9.0
Corn Belt										
Ohio	80.80	77.80	71.78	72.18	65.88	4.7	5.3	4.9	6.1	6.5
Indiana	98.70	94.80	93.60	92.70	83.06	5.4	5.8	6.1	7.1	7.7
Illinois	112.80	111.40	119.95	103.78	100.07	5.0	5.6	5.9	7.1	7.8
Iowa	106.10	105.60	109.17	98.40	82.98	5.0	5.7	6.6	8.5	9.0
Missouri	52.70	49.60	52.53	46.62	42.08	5.8	6.4	6.9	8.0	8.2
Northern Plains										
North Dakota	27.30	26.90	27.36	25.68	26.89	5.8	6.3	6.5	7.4	8.1
South Dakota	21.30	22.90	21.66	20.35	20.90	5.7	6.3	6.9	8.4	8.4
Appalachian										
Virginia	36.60	33.80	33.33	29.42	30.23	3.7	3.4	3.5	2.8	3.1
North Carolina	39.40	40.60	39.57	45.82	35.63	3.9	4.0	3.1	3.7	3.4
Kentucky	52.30	49.70	47.11	42.04	45.96	5.0	5.0	4.6	4.7	5.5
Tennessee	45.00	40.50	44.21	35.41	41.15	5.0	4.8	5.1	4.1	5.4
Southeast										
South Carolina	25.80	24.60	26.33	24.74	22.10	3.5	3.4	2.9	3.2	2.8
Georgia	29.90	30.60	28.90	28.32	25.43	4.1	4.2	3.7	4.5	3.9
Alabama	30.10	30.60	24.32	27.06	24.65	4.0	4.3	4.1	4.3	3.7
Delta States										
Mississippi	39.10	34.70	35.34	37.23	28.48	4.5	4.3	4.3	4.9	4.5
Arkansas	45.40	40.90	35.82	---	39.68	4.3	4.2	4.5	---	4.8

1/ 1982-83 estimates based on data from crop reporters, Statistical Reporting Service, USDA. For 1984-1986, estimates are based on surveys by the Economic Research Service, USDA, and may not be comparable with earlier estimates.

2/Estimates omit crop district (c.d.) no. 3 for 1982 and 1983. 3/Estimates omit c.d.'s 1, 2, 3, and 4 for 1982 and 1983. 4/ Estimates omit c.d.'s 2 and 3 for 1982 and 1983.

Table 7—Cropland rented for cash: Gross cash rent per acre
and ratio of rent to value, selected States,
1982-86 1/

State	Rent per acre					Ratio of rent to value				
	1982	1983	1984	1985	1986	1982	1983	1984	1985	1986
	Dollars					Percent				
Northeast										
Vermont	25.60	24.10	31.32	28.25	26.01	3.6	3.2	3.8	4.1	3.0
Massachusetts	32.10	37.00	36.07	--	--	2.1	2.7	1.6	--	--
New York 2/	34.20	33.40	35.79	34.78	30.81	6.5	7.0	5.4	5.0	5.1
New Jersey	48.90	52.30	48.43	43.18	45.96	2.0	2.1	1.2	1.1	0.9
Pennsylvania 3/	39.50	38.80	38.01	42.98	37.18	2.5	2.5	2.1	2.5	2.7
Delaware	60.50	59.10	66.90	66.77	64.48	3.6	3.6	3.8	3.8	3.7
Maryland	51.00	50.50	58.33	63.62	54.46	2.6	2.7	2.8	2.7	3.3
Lake States										
Michigan 4/	55.40	57.30	54.14	51.09	47.73	4.4	4.9	3.7	5.5	5.8
Wisconsin	58.10	57.00	58.26	53.08	48.83	5.1	5.2	5.8	6.3	7.0
Minnesota 5/	72.40	71.30	68.43	62.19	53.85	5.1	5.6	6.5	7.8	8.7
Corn Belt										
Ohio	88.40	89.10	79.96	72.64	70.32	4.9	5.8	5.2	5.4	6.5
Indiana	104.90	100.20	103.13	95.70	85.55	5.3	6.0	6.0	7.3	7.5
Illinois	119.40	116.30	119.30	110.07	99.92	5.0	5.6	5.8	7.2	7.7
Iowa	118.80	117.10	117.30	102.65	87.61	5.2	6.0	6.8	8.4	9.3
Missouri	70.00	68.60	67.05	56.54	54.42	6.3	7.3	7.3	8.5	9.0
Northern Plains										
North Dakota	32.90	32.60	32.42	31.74	29.69	6.1	6.5	6.7	7.6	8.1
South Dakota	31.10	31.70	30.77	29.35	26.44	5.9	6.5	7.0	8.3	9.2
Nebraska										
(Nonirrigated)	52.10	53.40	56.87	47.10	46.72	5.9	6.6	8.0	8.6	10.4
(Irrigated)	111.00	105.50	113.80	92.53	86.29	6.8	7.1	8.4	9.6	10.6
Kansas										
(Nonirrigated)	34.00	34.00	34.10	32.38	30.34	5.2	5.6	5.9	7.2	8.0
(Irrigated)	60.90	64.00	62.80	62.50	63.80	7.2	6.9	6.9	7.5	7.8
Appalachian										
Virginia	42.00	39.00	36.75	37.63		3.6	3.6	3.5	3.0	
North Carolina	48.30	45.30	43.56	41.44	39.50	4.0	3.8	3.1	2.0	3.5
Kentucky	64.00	62.50	55.80	50.67	53.63	5.1	5.5	4.8	5.2	6.0
Tennessee	54.60	47.90	50.66	45.76	47.35	5.5	5.3	5.1	4.8	5.8
Southeast										
South Carolina	27.80	28.30	27.93	27.00	25.46	3.4	3.7	3.0	3.5	2.9
Georgia	33.10	34.90	32.68	30.32	27.84	4.1	4.5	3.9	4.3	3.2
Alabama	36.10	37.80	30.45	29.49	29.66	4.4	4.7	4.4	4.7	4.3
Delta States										
Mississippi	46.10	42.80	43.75	40.96	34.95	4.7	4.7	4.9	5.2	6.1
Arkansas	50.70	46.60	49.50	50.97	48.21	4.4	4.4	5.5	6.4	6.5
Southern Plains										
Oklahoma										
(Nonirrigated) 6/	32.30	30.90	27.76	31.14	24.94	4.0	4.0	3.5	4.8	4.6
(Irrigated)	51.60	50.30	51.42	31.45	23.38	5.3	5.7	4.7	5.4	5.9
Texas										
(Nonirrigated) 7/	25.20	24.40	22.62	21.32	20.22	3.3	3.2	2.5	1.9	2.2
(Irrigated)	54.50	52.20	50.73	43.61	39.64	5.8	5.4	5.0	4.6	5.1

1/ 1982-83 estimates based on data from crop reporters, Statistical Reporting Service, USDA. For 1984-1986, estimates are based on surveys by the Economic Research Service, USDA, and may not be comparable with earlier estimates. 2/ Estimates omit crop district (c.d.) no. 3 and 9a for 1982-83. 3/ Estimates omit c.d. 3 for 1982-83. 4/ Estimates omit c.d.'s 1, 2, 3, and 4 for 1982-83. 5/ Estimates omit c.d.'s 2 and 3. 6/ Estimates omit c.d. 99 for 1982-83. 7/ Estimates omit c.d. 60 for 1982-83.

Table 8--Irrigated cropland rented for cash: Gross cash rent per acre and ratios of rent to value, Mountain and Pacific States, 1985-86.

Region and State	Cash rent per acre		Rent-to-Value Ratio	
	1985	1986	1985	1986
	Dollars		Percent	
Mountain				
Montana	56.10	55.86	5.0	6.6
Idaho	99.00	85.37	6.3	7.7
Wyoming	57.27	49.49	7.4	7.2
Colorado	75.59	63.44	5.7	6.0
Pacific				
Washington	153.30	118.35	6.2	7.4
Oregon	117.11	95.98	6.7	7.6

Table 9--Pasture rented for cash: Gross cash rent per acre and ratio of rent to value, selected States, 1982-86 1/

State	Rent per acre					Ratio of rent to value				
	1982	1983	1984	1985	1986	1982	1983	1984	1985	1986
	Dollars					Percent				
Northeast										
Vermont	11.60	13.20	14.08	16.96	--	3.3	3.3	2.7	3.3	3.3
Pennsylvania	16.50	17.50	15.97	19.67	17.96	1.9	2.1	1.4	2.2	2.2
Lake States										
Wisconsin	23.60	24.30	25.73	23.20	21.98	4.8	4.7	5.5	5.9	6.7
Minnesota 2/	22.10	20.90	23.42	19.13	15.99	3.9	3.8	5.9	5.4	6.4
Corn Belt										
Ohio	28.10	25.40	22.50	25.87	24.87	3.4	3.1	2.9	4.2	4.9
Indiana	34.20	32.80	34.43	36.52	35.60	3.4	3.7	3.8	5.5	5.8
Illinois	33.70	42.70	39.25	34.26	31.91	3.4	4.7	4.8	5.8	6.2
Iowa	44.10	42.20	40.95	35.95	29.19	4.5	4.7	6.0	7.6	7.7
Missouri	26.30	26.20	22.23	18.89	22.05	4.4	4.9	3.8	4.9	6.2
Northern Plains										
North Dakota	9.20	8.70	9.86	9.00	7.78	4.4	4.4	5.1	5.6	5.8
South Dakota	9.50	9.30	8.83	8.11	7.34	5.0	5.5	5.5	7.3	7.5
Nebraska	12.60	12.90	13.05	12.38	8.87	4.7	5.1	6.1	8.5	7.6
Kansas	12.80	13.30	13.60	13.08	13.22	3.4	3.8	3.8	4.5	5.9
Appalachian										
Virginia	17.70	18.20	24.26	22.28	20.02	2.3	2.5	3.1	2.5	2.7
North Carolina	21.00	20.20	24.96	21.40	20.64	2.6	2.4	1.9	2.0	1.9
Kentucky	28.20	27.60	27.91	27.75	24.83	3.9	3.7	3.3	3.8	4.2
Tennessee	24.70	23.50	21.01	23.25	23.65	3.4	3.2	4.4	3.9	4.2
Southeast										
South Carolina	17.00	16.20	19.18	16.96	16.11	2.7	2.7	2.7	2.7	2.4
Georgia	19.60	19.80	21.00	21.03	19.38	3.0	3.1	2.9	3.2	3.2
Alabama	17.40	17.40	16.43	16.61	17.12	3.0	3.2	2.8	3.7	3.3
Delta States										
Mississippi	15.70	15.70	17.85	19.12	14.02	2.9	2.8	3.0	3.2	2.7
Arkansas	15.80	14.80	17.93	--	17.64	2.4	2.3	2.9	--	3.4
Southern Plains										
Oklahoma 3/	11.60	11.00	10.07	13.23	12.93	2.4	2.4	1.9	2.9	3.4
Texas 4/	7.90	8.60	8.05	8.26	7.78	1.5	1.6	1.2	0.9	1.0

1/ 1982-83 estimates based on data from crop reporters, Statistical Reporting Service, USDA. For 1984-1986, estimates are based on surveys by the Economic Research Service, USDA, and may not be comparable with earlier estimates. 2/ Estimates omit c.d.'s 2 and 3 for 1982-83. 3/ Estimates omit c.d. 99 for 1982-83. 4/ Estimates omit c.d.'s 60, 82, and 97 for 1982-83.

Table 10--Farm real estate buyers: Percentage of purchases, acres, and value by type of buyer, years ending March 1, 1984-85 and Feb. 1, 1986¹

	Buyer											
	Tenant			Owner-operator ²			Retired farmer			Nonfarmer		
	1984	1985	1986	1984	1985	1986	1984	1985	1986	1984	1985	1986
Percentage of purchases												
North East	13	13	10	53	56	51	1	1	1	33	29	38
Lake States	12	13	10	72	70	59	1	1	2	14	16	29
Corn Belt	13	12	11	65	62	61	2	2	3	20	23	25
Northern Plains	12	12	12	75	77	70	1	1	2	12	10	16
Appalachian	10	11	8	54	54	49	2	2	2	34	34	41
Southeast	5	9	3	57	54	49	1	*	1	35	37	48
Delta	13	16	10	56	50	57	1	1	1	30	33	32
Southern Plains	13	14	8	55	57	56	1	1	4	32	28	33
Mountain	11	9	12	71	67	69	1	2	1	17	21	17
Pacific	11	4	11	63	72	53	1	1	3	25	23	32
48 States	12	12	10	63	63	58	1	1	2	24	24	30
Percentage of acres												
Northeast	16	15	10	54	55	57	*	2	1	29	28	32
Lake States	13	15	14	73	70	56	1	1	2	12	14	29
Corn Belt	12	12	11	63	61	58	1	2	3	24	25	28
Northern Plains	10	13	9	76	75	63	2	1	1	12	12	26
Appalachian	8	10	7	55	53	53	2	1	2	35	36	38
Southeast	6	8	2	64	62	55	1	1	1	30	30	43
Delta	7	13	10	47	61	66	1	1	1	46	26	24
Southern Plains	9	10	4	61	58	55	1	1	3	30	31	37
Mountain	11	3	10	78	60	83	*	1	1	14	36	7
Pacific	10	2	6	68	64	63	1	2	4	21	32	27
48 States	10	8	11	68	63	65	1	1	2	22	28	25
Percentage of value												
Northeast	13	11	8	53	58	49	*	2	*	34	29	43
Lake States	13	14	12	75	73	60	1	1	2	12	11	26
Corn Belt	12	13	12	66	62	59	1	2	4	21	23	25
Northern Plains	10	11	11	77	76	63	1	1	3	12	11	23
Appalachian	8	10	6	57	50	54	1	2	1	33	38	39
Southeast	7	7	2	63	63	47	1	1	1	30	29	50
Delta	7	14	11	46	63	67	1	1	1	46	23	21
Southern Plains	9	12	4	58	55	46	1	1	4	33	32	46
Mountain	6	5	8	73	56	69	1	1	1	21	38	22
Pacific	12	2	6	69	70	62	1	1	3	19	26	29
48 States	10	9	8	65	63	58	1	1	2	24	27	32

¹ Percentages may not add to 100 because of rounding. ² Includes part and full-owner operators.

* = Less than 0.5 percent.

Table 11--Farm real estate sellers: Percentage of sales, acres, and value by type of seller for years ending March 1, 1984-86 1/

Region	Type of seller														
	Estate			Active farm operator						Retired farmer			Nonfarmer/ nonfarm business		
	1984	1985	1986	1984	1985	1986	1984	1985	1986	1984	1985	1986	1984	1985	1986
Percentage of sales															
Northeast	13	12	11	18	23	18	25	23	29	13	18	19	30	23	27
Lake States	12	14	12	25	24	21	26	26	23	17	15	17	20	22	27
Corn Belt	27	29	24	28	23	22	16	17	21	10	14	12	19	18	20
Northern Plains	20	22	20	28	33	26	24	21	22	14	11	13	14	14	18
Appalachian	26	27	25	23	20	22	19	19	23	12	11	9	20	22	20
Southeast	17	17	12	32	26	27	17	20	21	8	11	10	26	28	30
Delta	12	15	11	34	25	28	21	22	25	11	11	11	25	28	24
Southern Plains	24	23	16	30	27	36	18	19	16	7	12	8	22	20	23
Mountain	11	10	10	46	38	44	21	26	21	9	11	8	15	18	17
Pacific	11	13	7	49	38	37	14	21	21	11	11	10	17	20	26
48 States	20	21	18	29	26	26	20	21	22	11	12	12	20	20	22
Percentage of acres															
Northeast	13	13	7	19	22	17	27	28	36	16	18	15	25	19	25
Lake States	11	14	14	22	23	18	26	29	27	14	14	17	27	20	24
Corn Belt	28	30	24	28	19	21	20	20	23	11	14	12	16	17	20
Northern Plains	21	19	12	28	34	26	27	25	32	11	11	11	13	11	18
Appalachian	25	27	27	23	22	21	22	20	25	10	10	7	21	20	20
Southeast	19	11	11	29	22	22	23	25	22	6	7	11	24	18	34
Delta	17	16	11	36	25	22	20	20	26	8	9	6	19	30	37
Southern Plains	20	23	22	29	27	32	22	15	20	15	15	6	24	20	19
Mountain	7	20	6	55	24	37	22	25	30	6	3	4	10	19	22
Pacific	9	26	13	48	26	33	15	11	26	7	6	6	21	32	22
48 States	16	22	15	36	25	28	23	26	27	8	11	9	17	19	22
Percentage of value															
Northeast	17	12	10	18	23	16	25	31	31	12	15	15	28	19	29
Lake States	12	16	11	26	23	24	28	32	30	15	13	16	19	16	19
Corn Belt	30	34	27	28	19	21	17	18	21	8	12	11	17	17	20
Northern Plains	21	19	15	28	34	26	25	23	25	12	11	11	13	14	23
Appalachian	24	25	27	29	23	30	21	22	23	9	11	5	17	19	15
Southeast	18	25	9	38	36	36	20	20	21	4	8	7	21	18	26
Delta	17	18	8	38	25	26	23	20	26	6	7	5	15	30	34
Southern Plains	22	24	18	31	30	29	18	13	15	4	10	4	24	22	34
Mountain	9	14	6	53	34	49	22	29	20	11	5	4	12	18	21
Pacific	9	16	10	57	42	40	10	17	20	7	5	11	16	20	19
48 States	19	21	16	36	29	30	20	22	22	11	9	9	17	19	23

1/Percentages may not add to 100 because of rounding.

Table 12--Farm real estate transfers. Average acres per sale and price per acre by probable use of property 5 years after purchase, by region and 48 States, years ending March 1, 1985 and Feb 1, 1986.

Region	Agr'l only		Forestry		Recreation		Rural Residence		Sub-division		Commercial/industrial		All uses	
	1985	1986	1985	1986	1985	1986	1985	1986	1985	1986	1985	1986	1985	1986
Northeast														
Acres per sale	132	148	--	--	121	216	97	79	166	111	--	--	132	138
Price per acre	1,093	1,111	--	--	904	542	1,672	1,774	1,975	2,842	--	--	1,176	1,267
Lake States														
Acres per sale	134	130	96	--	120	78	59	55	--	--	--	--	129	121
Price per acre	985	822	380	--	384	404	786	779	--	--	--	--	950	803
Corn Belt														
Acres per sale	124	131	186	131	135	118	74	74	115	76	--	74	127	129
Price per acre	1,153	925	418	575	536	529	1,113	804	1,420	1,210	--	1,548	1,091	898
Northern Plains														
Acres per sale	303	394	--	--	--	--	--	--	--	--	--	--	297	387
Price per acre	388	254	--	--	--	--	--	--	--	--	--	--	390	257
Appalachian														
Acres per sale	115	133	114	111	70	99	79	79	133	136	176	106	110	123
Price per acre	915	955	479	371	735	618	1,402	946	1,743	1,473	1,354	1,280	957	964
Southeast														
Acres per sale	194	190	345	209	--	289	80	72	102	147	244	204	210	185
Price per acre	972	688	491	513	--	597	1,071	1,438	1,641	1,710	1,065	1,509	845	834
Delta														
Acres per sale	183	230	185	119	--	160	49	85	--	--	--	--	164	196
Price per acre	935	767	420	475	--	590	1,171	949	--	--	--	--	885	771
Southern Plains														
Acres per sale	305	348	--	--	377	394	137	91	1,002	424	164	--	324	325
Price per acre	539	483	--	--	961	941	1,571	1,198	435	1,866	790	--	595	647
Mountain														
Acres per sale	1,271	1,023	--	--	5,175	1,377	1,812	757	1,090	--	--	--	1,380	1,051
Price per acre	260	277	--	--	183	261	225	313	641	--	--	--	272	296
Pacific														
Acres per sale	251	164	--	--	--	--	105	--	--	--	--	--	245	165
Price per acre	1,780	2,281	--	--	--	--	2,000	--	--	--	--	--	1,750	2,186
48 States														
Acres per sale	254	260	218	152	626	310	183	111	423	173	215	111	259	245
Price per acre	666	580	497	483	350	493	714	828	866	1,935	1,218	2,402	657	628

-- = Less than 10 sales

Table 13—Credit-financed farmland transfers: Percentage of farm real estate transfers on which debt was incurred, by region, years ending March 1, 1945-85 and Feb 1, 1986.

Year	North-east	Lake States	Corn Belt	Northern Plains	Appalachian	South-east	Delta States	Southern Plains	Mountain	Pacific	U.S.
Percent											
1945	51	55	46	45	31	40	37	49	43	41	44
1950	65	66	57	48	47	56	52	58	59	65	58
1955	70	75	65	53	54	60	62	59	68	74	64
1960	71	77	71	60	53	65	65	60	74	74	67
1965	75	83	77	67	66	58	66	68	80	80	73
1970	81	83	79	81	66	74	75	72	83	83	78
1975	87	91	89	88	86	88	83	87	87	86	88
1976	90	88	88	84	84	84	83	81	90	87	87
1977	85	94	91	89	86	85	81	87	88	89	88
1978	90	93	91	90	85	87	85	86	88	89	89
1979	91	95	93	92	87	86	85	87	91	92	90
1980	93	95	93	94	88	86	87	88	93	92	91
1981	89	95	93	93	86	86	85	88	88	91	90
1982	88	94	91	91	83	88	83	85	89	92	89
1983	86	91	85	85	80	82	85	80	84	88	84
1984	84	90	85	85	78	82	82	81	88	89	84
1985	85	87	77	78	81	82	83	81	85	86	82
1986	82	83	72	69	75	74	82	76	78	78	76

Table 14—Credit-financed farmland transfers. Ratio of debt to purchase price by region, March 1, 1945-85 and Feb. 1, 1986.

Year	North-east	Lake States	Corn Belt	Northern Plains	Appalachian	South-east	Delta States	Southern Plains	Mountain	Pacific	U.S.
Percent											
1945	51	53	46	45	31	40	37	49	43	41	44
1950	65	66	57	48	47	56	52	58	59	65	58
1955	70	75	65	53	54	60	62	59	68	74	64
1960	71	77	71	60	53	65	65	60	74	74	67
1965	75	83	77	67	66	58	66	68	80	80	73
1970	81	83	79	81	66	74	75	72	83	83	78
1975	87	91	89	88	86	88	83	87	87	86	88
1976	90	90	88	88	84	84	83	81	90	87	87
1977	85	94	91	89	86	85	81	87	88	89	88
1978	90	93	91	90	85	87	85	86	88	89	89
1979	91	95	93	92	87	86	85	87	91	92	90
1980	93	95	93	94	88	86	87	88	93	92	91
1981	89	95	93	93	86	86	85	88	88	91	90
1982	88	94	91	91	83	88	83	85	89	92	89
1983	86	91	85	85	80	82	85	80	84	88	84
1984	84	90	85	85	78	82	82	81	88	89	84
1985	85	87	77	78	81	82	83	81	85	86	82
1986	82	83	72	69	75	74	82	76	78	78	76

Table 15—Credit-financed farmland transfers. Percentage of credit volume extended, by type of lender, and region, years ending March 1, 1979–85 and Feb 1, 1986.

Regions and type of lender	1979	1980	1981	1982	1983	1984	1985	1986
Percent								
Northeast								
Sellers	23	35	38	38	29	29	32	28
Commercial	13	10	6	6	9	16	17	24
Insurance companies	3	1	—	—	1	1	0	0
Federal land banks	32	33	34	35	39	27	23	20
Others	29	21	22	21	22	27	27	28
Total	100	100	100	100	100	100	100	100
Lake States								
Sellers	56	55	59	60	44	44	49	53
Commercial banks	5	3	2	4	6	10	12	16
Insurance companies	4	3	1	1	1	3	1	1
Federal land banks	20	28	28	25	38	32	24	17
Others	15	11	10	10	11	11	15	13
Total	100	100	100	100	100	100	100	100
Corn Belt								
Sellers	31	34	38	37	37	32	27	30
Commercial banks	6	3	4	4	10	15	16	38
Insurance companies	8	8	4	5	5	4	8	3
Federal land banks	42	42	44	44	37	36	33	16
Others	14	12	10	10	10	13	16	12
Total	100	100	100	100	100	100	100	100
Northern Plains								
Sellers	41	41	44	35	32	27	25	49
Commercial banks	3	2	3	4	4	7	14	20
Insurance companies	5	4	3	3	2	4	4	10
Federal land banks	31	36	34	39	42	43	39	14
Others	20	16	16	19	21	20	19	7
Total	100	100	100	100	100	100	100	100
Appalachian								
Sellers	23	24	21	27	17	17	26	27
Commercial banks	11	10	9	12	20	27	25	35
Insurance companies	4	3	2	2	4	1	1	0
Federal land banks	37	38	42	38	33	33	25	18
Others	25	24	26	21	26	24	23	20
Total	100	100	100	100	100	100	100	100
Southeast								
Sellers	31	25	25	14	17	24	22	24
Commercial banks	5	4	3	5	19	9	10	16
Insurance companies	8	7	1	3	1	7	1	2
Federal land banks	34	47	46	63	50	41	43	34
Others	22	17	25	15	12	20	23	23
Total	100	100	100	100	100	100	100	100
Delta States								
Sellers	18	19	20	15	13	19	15	9
Commercial banks	9	5	6	5	15	14	18	27
Insurance companies	24	15	3	15	3	3	9	10
Federal land banks	30	37	47	44	42	38	29	34
Others	20	24	24	21	26	27	30	19
Total	100	100	100	100	100	100	100	100
Southern Plains								
Sellers	38	30	43	43	31	23	24	30
Commercial banks	6	4	7	5	9	13	11	13
Insurance companies	8	17	6	1	9	3	3	18
Federal land banks	28	21	29	34	27	37	35	25
Others	20	28	15	17	25	23	28	14
Total	100	100	100	100	100	100	100	100
Mountain								
Sellers	40	60	46	56	41	22	50	42
Commercial banks	1	1	1	1	2	3	3	3
Insurance companies	25	8	9	5	7	18	1	1
Federal land banks	20	19	35	27	35	37	29	27
Others	14	12	9	10	15	20	17	26
Total	100	100	100	100	100	100	100	100
Pacific								
Sellers	58	54	49	56	52	30	39	31
Commercial banks	4	2	4	1	2	6	7	9
Insurance companies	14	3	10	6	1	17	5	1
Federal land banks	16	29	31	26	31	38	32	49
Others	8	13	6	11	13	9	17	10
Total	100	100	100	100	100	100	100	100
48 States								
Sellers	36	38	40	41	33	28	33	32
Commercial banks	6	4	4	4	9	11	13	21
Insurance companies	10	7	4	4	4	7	3	5
Federal land banks	31	34	37	37	37	36	31	25
Others	17	17	15	14	16	18	20	17
Total	100	100	100	100	100	100	100	100

— = Data not available.



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